

**OSTER**  
**Researching Services**

12897 Colonial Dr. • Mt. Airy, Md. 21771  
301-253-6040

June 9, 1997

Mr. Vernon Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Lease dated 9/24/96 between the following parties:

Lessor: Southern Illinois Railcar Company, L.L.C.  
One Mark Twain Bank Plaza  
Edwardsville, IL 62025

Lessee: Nugent Sand Company, Inc.  
Muskegon, Michigan

Also enclosed for recording is a Memorandum of Assignment of Lease dated 5/21/97 between the following parties:

Assignor: Southern Illinois Railcar Company, L.L.C.

Assignee: Bank One, Illinois, N.A.  
One East Old State Capitol Plaza  
Springfield, IL 62701

The equipment included in these transactions is listed on Exhibit A to the agreement.

Please record the Memorandum of Lease as a primary document and the Memorandum of Assignment of Lease as a secondary document thereto. The filing fee of \$48 is enclosed.

Thank you for your assistance.

Sincerely,

*Mary Ann Oster*

Mary Ann Oster  
Research Consultant

Enclosures

RECORDATION NO. 20712<sup>2</sup> FILED

JUN 9 '97

9-50AM

RECORDATION NO. 20713<sup>2</sup> FILED

JUN 9 '97

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RECEIVED  
SURFACE TRANSPORTATION  
BOARD

*Counterparts - Mary Ann Oster*

**MEMORANDUM OF  
ASSIGNMENT OF LEASE**

THIS MEMORANDUM OF ASSIGNMENT OF LEASE (the "Memorandum") dated as of May 21, 1997, and made by and between BANK ONE, ILLINOIS, NA, an Illinois banking corporation, with an office at One East Old State Capitol Plaza, Springfield, Illinois 62701 ("Bank"), SOUTHERN ILLINOIS RAILCAR COMPANY, L.L.C., an Illinois limited liability company, with its chief executive office and principal place of business at One Mark Twain Bank Plaza, Suite 225, Edwardsville, Illinois 62025 ("LLC").

Bank and LLC hereby state the following:

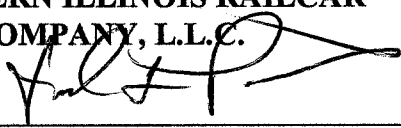
1. LLC, Southern Illinois Railcar Company, an Illinois corporation ("SIRC") and Bank are parties to that certain Loan Agreement dated as of December 1, 1995 (the "Loan Agreement"), whereby Bank loaned LLC and SIRC certain funds to facilitate the purchase and repair of covered hopper and other types of railcars.
2. LLC, SIRC and Banc One Capital Partners II, Ltd., an Ohio limited liability company ("BOCP II") are parties to that certain Senior Subordinated Note Purchase Agreement dated as of December 1, 1995 whereby BOCP II loaned LLC and SIRC certain funds to facilitate the purchase and repair of covered hopper and other types of railcars.
3. LLC, as lessor, and Nugent Sand Company, Inc. ("Nugent"), as lessee, are parties to that certain Railcar Lease Agreement dated as of February 2, 1995, pursuant to which LLC agreed to lease the railcars more specifically identified on Exhibit A attached hereto and made a part hereof (the "Exhibit A Railcars") to Nugent (the "Lease"), a Memorandum of which was recorded with the Surface Transportation Board on June 9, 1997, and assigned recordation number 20712.
4. Pursuant to that certain Security Agreement - Railcars, dated as of December 1, 1995, and that certain Memorandum of Security Agreement dated December 1, 1995 and recorded with the Interstate Commerce Commission on December 13, 1995 and assigned recordation number 19805, to secure the payment and performance of any and all of LLC's and SIRC's obligations to Bank and BOCP II, LLC has assigned to Bank, as agent for Bank and BOCP II, for collateral security purposes only, and has granted to Bank, as agent for Bank and BOCP II, a continuing, first priority security interest in, and lien on, all of LLC's right, title and interest in and to, among other things, the Lease, all rental payments, casualty value payments and other sums due and to become due and payable by Nugent to LLC from time to time thereunder.

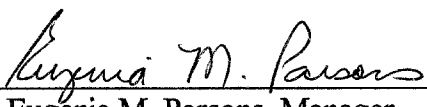
IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:

Lucille Nation

**SOUTHERN ILLINOIS RAILCAR  
COMPANY, L.L.C.**

By:   
Fred L. Parsons, Manager

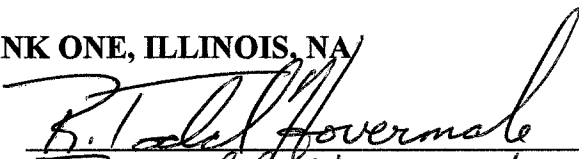
By:   
Eugenia M. Parsons, Manager

By:   
Gary J. Goodman, Manager

WITNESS:

David Chandler

**BANK ONE, ILLINOIS, NA**

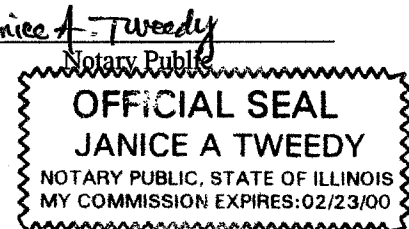
By:   
Name: R. Todd Hovermale  
Title: Vice President

STATE OF ILLINOIS     )  
                                      )  
COUNTY OF MADISON)     SS:

On this 30<sup>th</sup> day of May, 1997, before me, a Notary Public of the County and State aforesaid, personally appeared Fred L. Parsons, to me personally known, who being by me duly sworn, says that he is a manager of Southern Illinois Railcar Company, L.L.C., an Illinois limited liability company, that said instrument was signed on behalf of said company by authority of its managers, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

AS WITNESS my hand and notarial seal

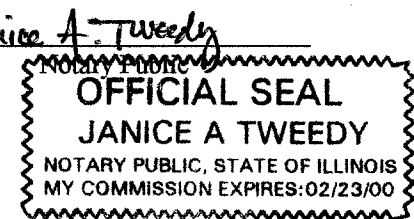
STATE OF ILLINOIS     )  
                                      )  
COUNTY OF MADISON)     SS:



On this 30<sup>th</sup> day of May, 1997, before me, a Notary Public of the County and State aforesaid, personally appeared Eugenia M. Parsons, to me personally known, who being by me duly sworn, says that she is a manager of Southern Illinois Railcar Company, L.L.C., an Illinois limited liability company, that said instrument was signed on behalf of said company by authority of its managers, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

AS WITNESS my hand and notarial seal

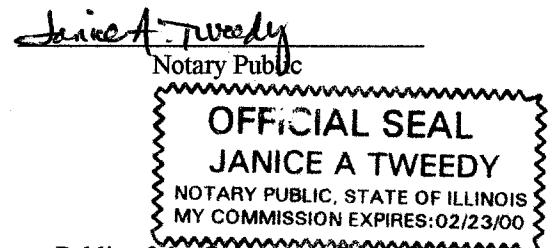
STATE OF ILLINOIS     )  
                                      )  
COUNTY OF MADISON)     SS:



On this 30<sup>th</sup> day of May, 1997, before me, a Notary Public of the County and State aforesaid, personally appeared Gary J. Goodman, to me personally known, who being by me duly sworn, says that he is a manager of Southern Illinois Railcar Company, L.L.C., an Illinois limited liability company, that said instrument was signed on behalf of said company by authority of its managers, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

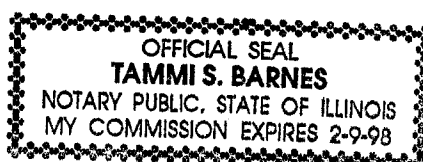
AS WITNESS my hand and notarial seal

STATE OF ILLINOIS     )  
                                      )  
COUNTY OF SANGAMON)     SS:



On this 5<sup>th</sup> day of June, 1997, before me, a Notary Public of the County and State aforesaid, personally appeared R. Todd Hovermale, to me personally known, who being by me duly sworn, says that he is Vice President of Bank One, Illinois, NA, an Illinois banking corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal



Tammi S. Barnes  
Notary Public

**Exhibit A to the Memorandum of Assignment of Lease Agreement  
Between Southern Illinois Railcar Company LLC  
and Nugent Sand Company**

63 covered hopper railcars bearing reporting marks and numbers as follows:

SIRX000048	SIRX000191
SIRX000061	SIRX000192
SIRX000073	SIRX000194
SIRX000097	SIRX000202
SIRX000098	SIRX000204
SIRX000099	SIRX000206
SIRX000102	SIRX000208
SIRX000103	SIRX000211
SIRX000106	SIRX000212
SIRX000107	SIRX000213
SIRX000108	SIRX000214
SIRX000110	SIRX000215
SIRX000111	SIRX000217
SIRX000112	SIRX000218
SIRX000115	SIRX000222
SIRX000119	SIRX000224
SIRX000135	SIRX000226
SIRX000136	SIRX000227
SIRX000143	SIRX000228
SIRX000146	SIRX000229
SIRX000171	SIRX000231
SIRX000172	SIRX000233
SIRX000176	SIRX000234
SIRX000178	SIRX000237
SIRX000179	SIRX000240
SIRX000180	SIRX001031
SIRX000181	SIRX001041
SIRX000182	SIRX001051
SIRX000184	SIRX001091
SIRX000186	SIRX001101
SIRX000187	SIRX001102
SIRX000188	